

McGladrey & Pullen

Certified Public Accountants

Management Letter in Accordance with the Rules of the Auditor General of the State of Florida

The Honorable Anne M. Gannon
Tax Collector
Palm Beach County, Florida

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Tax Collector of Palm Beach County, Florida ("the Tax Collector"), as of and for the year ended September 30, 2007, and have issued our report thereon dated March 19, 2008, which was prepared to comply with State of Florida reporting requirements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters. Disclosures in that report, if any, which is dated March 19, 2008, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Rules of the Auditor General (Section 10.554(1)(i)1.), requires that we address in the management letter, if not already addressed in the auditor's report on compliance and internal controls whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. The recommendations made in the preceding annual financial audit report have been addressed in Appendix A to this report.

As required by the Rules of the Auditor General (Section 10.554(1)(i)2.), the scope of our audit included a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Tax Collector complied with Section 218.415, Florida Statutes.

Rules of the Auditor General (Section 10.554(1)(i)3.), requires that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. We did not have any findings and recommendations to improve financial management, accounting procedures, and internal controls for the current annual financial audit report.

Rules of the Auditor General (Section 10.554(1)(i)4.), requires disclosure in the management letter of the following matters if not already addressed in the auditor's report on compliance and internal controls, whether there were violations of provisions of contracts and grant agreements or abuse that have an effect on the financial statements that is less than material but more than inconsequential. There were no such matters noted during our audit.

Rules of the Auditor General (Section 10.554(1)(i)5.), requires disclosure in the management letter of the following matters if not already addressed in the auditors reports on compliance and internal controls and are not clearly inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred; (2) improper expenditures or illegal acts; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failure to properly record financial transactions; and (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. No such conditions were noted during the audit.

Rules of the Auditor General (Section 10.554(1)(i)6.), requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information is disclosed in Note 1 to the financial statements.

This management letter is intended solely for the information of the Tax Collector, management of Palm Beach County, Florida Tax Collector's Office and the State of Florida Office of the Auditor General, and is not intended to be and should not be used by anyone other than the specified parties.

McGladrey & Pullen, LLP

West Palm Beach, Florida
March 19, 2008